

**MINUTES OF THE
REGULAR MEETING
of the
BOARD OF DIRECTORS
for the
MONTECITO SANITARY DISTRICT**

April 12, 2010

1. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 12th day of April 2010 at 1042 Monte Cristo Lane, Montecito, California, at 1:15 p.m.

ATTENDANCE

Present: Directors Charles C. Arnold, Deirdre M. Cannata, Jeff Kerns, Judith M. Ishkanian, Edward McAniff

Also Present: Diane Gabriel, General Manager; Debbie Hughey, Office Manager

2. APPROVAL OF MINUTES OF THE LAST MEETING

The minutes from the prior Board meeting were included in the agenda packets for Board review. Upon MOTION by Director Cannata, and seconded by Director Arnold, the minutes of March 29, 2010 were approved as submitted.

3. APPROVAL OF PAYROLL AND PAYABLES

Upon MOTION by Director Kerns, and seconded by Director McAniff, the Board approved the PAYROLL AND ACCOUNTS PAYABLE EXPENSES for the District through April 12, 2010 as follows:

Accounts Payable (4/12/10)	\$ 33,556.51
Payroll (4/8/10)	\$ 34,766.66
Payroll Related (4/8/10)	\$ <u>11,056.51</u>
 TOTAL	 <u>\$79,379.68</u>

4. **PUBLIC FORUM**

No member of the public was present to address the Board on non-agenda items.

5. **OLD BUSINESS**

No old business.

6. **NEW BUSINESS**

A. **DESIGN SERVICES FOR LABORATORY PROJECT – CONTRACT WITH ARCHITECTS WEST**

The General Manager presented conceptual plans to the Board for the construction of a new laboratory which is one of the District's COP "mission critical" projects. The proposed building would be 1,012 square feet and would be located just to the east of the maintenance shop. It is estimated that the construction of the building will cost \$600,000.

District staff has negotiated a time and materials not to exceed fee of \$48,925 with Architects West for the final design of the lab building. Their final design work will take approximately 19 weeks to complete. Following the completion of the design, staff will bring the project before the Board for authorization to advertise the project for bids. Once bids are received, the Board will be presented with the results and vote to authorize the award of a contract for construction.

After discussion, a MOTION was made by Director Cannata, and seconded by Director Kerns, that the General Manager execute a professional services contract with Architects West in the amount of \$48,925 for the preparation of final design plans and specifications for the construction of a laboratory building. The MOTION passed unanimously.

ACTION: Staff

B. **SCHEDULING OF PERSONNEL COMMITTEE MEETING**

A meeting of the Personnel Committee (Directors Arnold and Ishkanian) was scheduled for Tuesday, May 4th at 9:00 a.m. The meeting will include a review of the "Actuarial Study of Retiree Health Liabilities." A cost of living adjustment (COLA) for next fiscal year will also be considered at the request of the Board. Any recommendations of the Committee will be brought to the Finance Committee and ultimately to the full Board for approval as part of the budget approval process.

ACTION: Directors Arnold, Ishkanian and Staff

C. LETTER TO MONTECITO FIRE PROTECTION DISTRICT – SANITARY SEWER SERVICE – PROPOSED NEW FIRE STATION

The General Manager presented to the Board a draft letter to the Montecito Fire District regarding sanitary sewer service associated with their proposal to construct a third fire station.

After discussion, a MOTION was made by Director Arnold, and seconded by Director McAniff, that the letter, as drafted, be signed by the General Manager and sent to Kevin Wallace, Fire Chief, Montecito Fire District. The MOTION passed unanimously.

ACTION: General Manager

D. SANTA BARBARA LOCAL AGENCY FORMATION (LAFCO) – PROPOSED LAFCO BUDGET FOR FY 2010-2011

The Board reviewed a letter the District received dated April 2, 2010 from LAFCO with information on the proposed Budget and Proposed Scheduling of Processing Fees. The Board reviewed the Budget and felt that it might be appropriate to relay comments to Commissioner Jeff Moorhouse. Director Kerns stated that he would talk to Commissioner Moorhouse and determine the best approach for the District Board to pass on their comments and questions.

ACTION: Director Kerns

E. COUNTY TREASURER'S REPORT

The Office Manager presented the Treasurer's Investment Pool, Fiscal Year 2009-2010 Second Quarter (October-December 2009) Report approved by the Board of Supervisors on February 9, 2010. The report was included in the March 29th agenda packet.

The Board discussed that even though District funds are in the County Treasurer's Investment Pool the District has little control over the specifics of the County's investments. The Board commented on the difference between interest earned by the County versus LAIF. It was decided that when the Finance Committee meets next they will review and make recommendations regarding whether or not to move any District funds from LAIF.

ACTION: Finance Committee

F. QUARTERLY INVESTMENT POLICY STATEMENT – PERIOD ENDED MARCH 31, 2010

The Office Manager informed the Board that the District is required to make quarterly statements certifying that: (1) the investments made on behalf of the District by LAIF and the Santa Barbara County Treasurer's office were made in accordance with the District's current Investment Policy; (2) a complete and timely record of all investment transactions is maintained in the District office from reports supplied by LAIF and the Santa Barbara County Treasurer's office; and (3) the Montecito Sanitary District is able to meet its pool's expenditure requirements for the next six months.

Treasurer McAniff certified that the above three statements were correct and the quarterly statement would be signed immediately following the Board meeting.

ACTION: Treasurer McAniff and Staff.

G. BUDGET STATUS REPORT – THIRD QUARTER – PERIOD ENDED MARCH 31, 2010

The General Manager distributed the budget status report for the third quarter of the current fiscal year at the Board meeting. Revenues received and/or collected to date total \$2,006,632. Expense totals to date are \$1,819,480. The Board conveyed to the General Manager that they are pleased that it appears that this fiscal year will be within the projected budget.

ACTION: None Required.

H. ORDINANCE NO. 11 – DIRECTORS' COMPENSATION

A copy of Ordinance No. 11 was included in the agenda packets. The Board reviewed the Ordinance and discussed whether or not their compensation should be revised.

After discussion, a MOTION was made by Director Kerns, and seconded by Director Arnold, that no changes be made to the Board's current compensation schedule. The MOTION passed unanimously.

ACTION: None Required

I. SANTA BARBARA BANK & TRUST (SBB&T) – UPDATED AUTHORIZATION AGREEMENT FOR WIRE TRANSFERS

Manager Gabriel reminded the Board that the Authorization Agreement for Wire Transfers requires yearly review and execution by the designated and approved signers on the District's existing bank accounts.

After discussion, a MOTION was made by Director Cannata, and seconded by Director McAniff, that the Board sign the Agreement for Wire Transfers authorizing Debbie Hughey, Office Manager, to transfer funds and to request information regarding the District's accounts. The MOTION passed unanimously.

ACTION: Board & Staff

J. **INFORMATIONAL ITEMS**

The Board reviewed the following items:

1. *Santa Barbara News-Press article – April 3 – Jeff Moorhouse appointed to Santa Barbara County LAFCO*
The Board was happy to see the positive article in the News-Press regarding the appointment of Jeff Moorhouse to LAFCO.
2. *May 10, 2010 Board Meeting – Grant Hoag with CDM Consulting will be presenting his connection fee analysis*
Manager Gabriel informed the Board of the importance of having a full Board present at the May 10th meeting.
3. *California Special Districts Association Monthly Chapter Dinner Meeting for Monday, April 26, 2010, 6:00 at the Goleta Holiday Inn*
Directors Cannata, Kerns and Ishkanian stated that they would like to attend the Dinner Meeting and reservations for their attendance will be made.

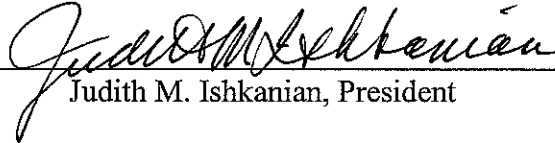
7. **OPERATIONS AND MAINTENANCE**

The Board reviewed the Operations and Maintenance information included in their agenda packets.

The General Manager reported that there has been good progress with the Electrical Upgrade Project. The Board was informed that the vacant joint Safety Officer position has been filled by Jan Deering.

9. ADJOURNMENT

There being no further business to come before the Board, it was MOVED by Director Arnold, and seconded by Director McAniff, that the meeting be adjourned. The MOTION carried, and the meeting adjourned at 2:40 pm.



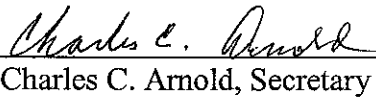
Judith M. Ishkanian, President



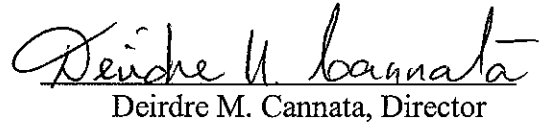
Jeff Kerns, Vice-President



Edward P. McAniff, Treasurer



Charles C. Arnold, Secretary



Deirdre M. Cannata, Director